

FISCAL NOTE
SB 681 - HB 788

April 2, 2007

SUMMARY OF BILL: Establishes the procedure by which a bail bondsman may be relieved of a forfeiture bond by motion. Requires court clerks to notify the surety company and the bondsman within 15 days of bond forfeiture.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$149,100 Recurring
\$7,200 One-Time

Increase Local Govt. Expenditures* - \$1,042,800

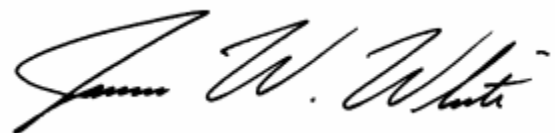
Assumptions:

- The Insurance Division of the Department of Commerce and Insurance will require an additional administrative services assistant 3 position to schedule hearings, update databases, and change the Certificates of Authority for companies. The Department will also require an additional attorney 3 position to prepare the necessary pleadings and represent the Department at hearings regarding these matters.
- Recurring increase in state expenditures of \$149,100 reflects the salaries and benefits for the two additional positions and other related operating expenses. One-time expenditures of \$7,200 reflect the cost of computer equipment and related office supplies.
- Court clerks are required to notify the surety company and the bondsman within 15 days of bond forfeiture. Such notification must be by certified mail at a cost of \$4.85 per letter. Thirty counties will have an increased cost of \$727,500 for an additional 5,000 notification letters ($\$4.85 \times 30 \times 5,000 = \$727,500$). Sixty-five counties will be required to send out an additional 1,000 notification letters at a cost of \$315,250 ($\$4.85 \times 65 \times 1,000 = \$315,250$).

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director